

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

10 THE ECLIPSE GROUP LLP, a
California limited liability partnership, } Civil No. 13cv1902 JAH (BGS)
11 Plaintiff,
12 v.
13 ECLIPSE IP LLC, a Florida limited
liability company, }
14 Defendant. }
15 }
ORDER GRANTING IN PART AND
DENYING IN PART
DEFENDANT'S MOTION TO
DISMISS [Doc. No. 22]

INTRODUCTION

17 Plaintiff The Eclipse Group LLP (“Eclipse Group”), a California limited liability
18 partnership that offers legal services in the field of patent infringement litigation, filed
19 a complaint on August 15, 2013, for service mark infringement, false designation of
20 origin, dilution and unfair competition, naming Defendant Eclipse IP LLC (“Eclipse IP”)
21 as defendant. Defendant moved to dismiss the complaint and Plaintiff filed a motion
22 for preliminary injunction. Finding Plaintiff failed to sufficiently allege Defendant’s
23 commercial use of Plaintiff’s mark, the Court granted the motion to dismiss with leave
24 to amend and denied Plaintiff’s motion for a preliminary injunction.

25 Plaintiff filed a First Amended Complaint (“FAC”) on July 1, 2014, asserting
26 claims for service mark infringement, false designation of origin, dilution, unfair
27 competition under California Business and Professions Code section 17200, dilution
28 under California Business and Professions Code section 14247, and common law unfair

1 competition. See Doc. No. 21. Plaintiff alleges it became the successor to “The Eclipse
 2 Group”, a general partnership formed in 2002, and acquired all its assets, goodwill,
 3 intellectual property and other proprietary rights, including the service mark at issue in
 4 this litigation. Complaint ¶¶ 9, 10. Plaintiff further alleges Defendant used the name
 5 “Eclipse IP LLC” to acquire the rights to enforce certain patents. Id. ¶ 22. Plaintiff also
 6 alleges concurrent use of Plaintiff’s and Defendant’s mark has caused confusion and is
 7 harming Plaintiff’s reputation Id. ¶¶ 39, 53, 60, 68.

8 Thereafter, Defendant filed the pending motion to dismiss. Plaintiff filed an
 9 opposition to the motion and Defendant filed a reply. The motion was taken under
 10 submission without oral argument. After a thorough review of the parties’ submissions,
 11 the Court GRANTS IN PART AND DENIES IN PART Defendant’s motion to dismiss.

12 DISCUSSION

13 Defendant requests the Court dismiss the complaint pursuant to Rule 12(b)(6)
 14 of the Federal Rules of Civil Procedure.

15 I. Legal Standard

16 Rule 12(b)(6) tests the sufficiency of the complaint. Navarro v. Block, 250 F.3d
 17 729, 732 (9th Cir. 2001). Dismissal is warranted under Rule 12(b)(6) where the
 18 complaint lacks a cognizable legal theory. Robertson v. Dean Witter Reynolds, Inc., 749
 19 F.2d 530, 534 (9th Cir. 1984); see Neitzke v. Williams, 490 U.S. 319, 326 (1989)
 20 (“Rule 12(b)(6) authorizes a court to dismiss a claim on the basis of a dispositive issue
 21 of law.”). Alternatively, a complaint may be dismissed where it presents a cognizable
 22 legal theory yet fails to plead essential facts under that theory. Robertson, 749 F.2d at
 23 534. While a plaintiff need not give “detailed factual allegations,” he must plead
 24 sufficient facts that, if true, “raise a right to relief above the speculative level.” Bell
 25 Atlantic Corp. v. Twombly, 550 U.S. 544, 545 (2007).

26 “To survive a motion to dismiss, a complaint must contain sufficient factual
 27 matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” Ashcroft
 28 v. Iqbal, 556 U.S. 662, 678 (2009) (quoting Twombly, 550 U.S. at 547). A claim is

1 facially plausible when the factual allegations permit “the court to draw the reasonable
 2 inference that the defendant is liable for the misconduct alleged.” Id. In other words,
 3 “the non-conclusory ‘factual content,’ and reasonable inferences from that content, must
 4 be plausibly suggestive of a claim entitling the plaintiff to relief.” Moss v. U.S. Secret
5 Service, 572 F.3d 962, 969 (9th Cir. 2009). “Determining whether a complaint states
 6 a plausible claim for relief will ... be a context-specific task that requires the reviewing
 7 court to draw on its judicial experience and common sense.” Iqbal, 556 U.S. at 679.

8 In reviewing a motion to dismiss under Rule 12(b)(6), the court must assume the
 9 truth of all factual allegations and must construe all inferences from them in the light
 10 most favorable to the nonmoving party. Thompson v. Davis, 295 F.3d 890, 895 (9th
 11 Cir. 2002); Cahill v. Liberty Mut. Ins. Co., 80 F.3d 336, 337-38 (9th Cir. 1996).
 12 However, legal conclusions need not be taken as true merely because they are cast in the
 13 form of factual allegations. Ileto v. Glock, Inc., 349 F.3d 1191, 1200 (9th Cir. 2003);
 14 Western Mining Council v. Watt, 643 F.2d 618, 624 (9th Cir. 1981). When ruling on
 15 a motion to dismiss, the Court may consider the facts alleged in the complaint,
 16 documents attached to the complaint, documents relied upon but not attached to the
 17 complaint when authenticity is not contested, and matters of which the Court takes
 18 judicial notice. Lee v. City of Los Angeles, 250 F.3d 668, 688-89 (9th Cir. 2001). If a
 19 court determines that a complaint fails to state a claim, the court should grant leave to
 20 amend unless it determines that the pleading could not possibly be cured by the
 21 allegation of other facts. See Doe v. United States, 58 F.3d 494, 497 (9th Cir. 1995).

22 II. Analysis

23 A. Trademark Infringement Claims

24 Defendant argues Plaintiff’s trademark claims fail because the FAC fails to allege
 25 sufficient facts to show Defendant’s use of Plaintiff’s mark is commercial and is likely to
 26 cause consumer confusion.

27 A claim for trademark infringement under Section 1114(1)(a) may be brought
 28 against any person who, without the registered trademark owner’s consent, “use[s] in

1 commerce any reproduction, counterfeit, copy, or colorable imitation of a registered
 2 mark in connection with the sale, offering for sale, distribution, or advertising of any
 3 goods or services.. .which such use is likely to cause confusion, or to cause mistake, or
 4 to deceive.” 15 U.S.C. § 1114.

5 **1. Commercial Use**

6 Defendant contends Plaintiff concedes that if Defendant does use Plaintiff’s mark
 7 in commerce, it does so through the use or display of the Plaintiff’s mark in the sale or
 8 advertising of services. However, Defendant argues, no factual allegations of Defendant’s
 9 use or display of the mark in the sale or advertising of services are present here.
 10 Defendant maintains Plaintiff distorts the truth and draws unreasonable inferences from
 11 the facts in its attempt to allege Defendant uses the mark in connection with the sale or
 12 advertising of services, and argues even these half-truths are not enough to save
 13 Plaintiff’s claims.

14 Defendant maintains the FAC alleges Defendant was created for the purpose of
 15 enforcing the patent rights of Scott A. Horstemeyer and Martin Kelly Jones and
 16 distribution of any recovery from such enforcement, but goes on to allege, with no
 17 factual basis whatsoever, that Defendant acquires patent rights from third parties
 18 generally. The FAC also alleges, with no basis whatsoever, Defendant helps those third
 19 parties to enforce their intellectual property rights through litigation. Defendant argues
 20 there are no factual allegations to allow the Court to draw the reasonable inference that
 21 Defendant actively acquires rights in patents owned by parties other than Messrs. Jones
 22 and Horstemeyer. Defendant argues once the Iqbal filter is applied to the FAC,
 23 removing these conclusory allegations from consideration, virtually no facts at all remain
 24 to support a finding that Defendant’s use of the purported mark, if any, is “in
 25 connection with a commercial transaction in which the trademark is being used to
 26 confuse potential customers.” Motion at 9 (citing Bosley Medical Institute, Inc. v.
Kremer, 403 F.3d 672, 676 (9th Cir. 2005)).

27 In addition, Defendant argues the FAC contains no facts to allege that Defendant

1 advertises services using Plaintiff's mark.

2 Plaintiff argues Defendant engages in the sale of services in commerce as defined
3 by trademark law through the rendering of its services under the mark "Eclipse IP."
4 Plaintiff maintains the use of the mark in providing services constitutes a sale under the
5 statute. Plaintiff argues by filing lawsuits and entering into agreements for the
6 enforcement of intellectual property rights under "Eclipse IP", with its name on the
7 complaints, settlements and licensing agreements, along with the distribution of proceeds
8 gained by such enforcement of the patents to stakeholders, Defendant is using Plaintiff's
9 mark in the rendering of such services. Plaintiff further argues in providing those
10 services, which are construed by case law as commercial services, the Defendant uses the
11 Plaintiff's mark in the sale of Defendant's services. Plaintiff maintains it sets forth in the
12 FAC that Defendant not only uses the mark in the sale of its services, but the manner
13 in which it uses the mark constitutes a publication.

14 Plaintiff contends complaints filed in federal court are matters of public record
15 and Defendant files cases all over the country. As a result, Plaintiff argues, Defendant
16 is advertising to the public that it provides the services of enforcement of third party
17 patent rights. Plaintiff argues Defendant's conduct is advertising its services through the
18 filing of lawsuits using Plaintiff's mark.

19 In reply, Defendant argues the FAC does not contain any factual allegations to
20 support Plaintiff's claims because Defendant does not sell or advertise any services.
21 Defendant maintains the only facts in the FAC regarding Defendant's acquisition and
22 enforcement of patent rights are that Messrs. Jones and Horstemeyer transferred their
23 interests in the Horstemeyer patents to Defendant, that outside counsel for Defendant
24 has filed a number of lawsuits against persons and/or entities accused of infringing the
25 Horstemeyer patents, and that proceeds from these lawsuits are distributed.

26 Defendant further argues, in a weak effort to shore up the allegations in the FAC,
27 Plaintiff lists samples of registrations and applications recognizing the protection of
28 marks for similar services, however, Defendant argues, the list is irrelevant because

1 Defendant does not have a registered trademark in International Class 45 and there is
2 no information about what the entities do other than the vague statements justifying
3 registration in International Class 45. Defendants also argue the cases listed by Plaintiff
4 in its opposition that are known only to specialists in this area of the law are not
5 relevant because they each stand for the proposition that if you sell and/or advertise a
6 service, and you use a mark when performing the service, then the mark may qualify as
7 a service mark because it is considered used in the sale or advertising of services.

“Infringement claims are subject to a commercial use requirement.” Bosley Medical Institute, Inc., 403 F.3d at 676. The Ninth Circuit has recognized the meaning of “commercial use” to be “roughly analogous to the ‘in connection with’ sale of goods and services requirement” of 15 U.S.C. section 1125. Id.

12 As an initial matter, the Court rejects Plaintiff's argument that the rendering of
13 services under a mark constitutes sale of services. In support of its argument, Plaintiff
14 cites to three decisions of the Trademark Trial and Appeal Board.¹ Upon review of the
15 decisions, the Court agrees with Defendant that the Appeal Board does not make a
16 finding that the simple rendering of services constitutes sale of services to support
17 commercial use under the Lanham Act. In each of the decisions, the Appeal Board looks
18 to the various facts and issues, including the use of the mark in the selling or rendering
19 of services, surrounding the applicant business's request for registration of a mark in their
20 decision to reverse the examining attorney's refusal to register the mark. As such,
21 Plaintiff must allege more than the fact Defendant renders services to properly allege
22 commercial use.

23 Plaintiff alleges Defendant's "business is enforcing the intellectual property rights
24 of others and distributing the proceeds of such enforcement to various stakeholders," and
25 it used the name Eclipse IP LLC to acquire the rights to enforce certain patents. FAC

²⁸ *In re Red Robin Enterprises, Inc.*, 1984 TTAB Lexis 91, 222 U.S.P.Q. (BNA) 911; *In re Eagle Fence Rentals, Inc.*, 1986 TTAB Lexis 57, 231 U.S.P.Q. (BNA) 228; *In re Metriplex, Inc.*, 1992 TTAB Lexis 5, 23 U.S.P.Q.2D (BNA) 1315.

¶¶ 21, 22.² Plaintiff also alleges “on information and belief, Eclipse IP was created for the purposes of enforcing the patents [sic] rights of these third parties and distributing any recovery from such enforcement to the various stakeholders. On information and belief, these stakeholders may include members of the limited liability company Eclipse IP, LLC; inventors; previous owners of the patents; and/or law firms who are engaged in representing Eclipse IP, LLC on an hourly or contingency fee basis.” Id. ¶ 25. Plaintiff further alleges Defendant filed two patent infringement cases in the United States District Court for the Southern District of Florida on May 12, 2011, and filed approximately 97 patent infringement suits under its trade name, including one in this district. Id. ¶¶ 27, 28. Plaintiff asserts “[b]y acquiring patents owned and developed by third parties for enforcement, Defendant is engaged in the service of enforcing intellectual property rights and distribution [sic] the proceeds from such enforcement activities to its stakeholders.” Id. ¶ 29. Plaintiff also asserts Defendant’s enforcement of its patents are reported to the legal community upon filing through “common docket reporting services” and publications of its lawsuits advertise to the legal community and public. Id. ¶¶ 34, 37. Plaintiff further alleges Defendant “entered into agreements with third party patent holders, such as Martin Kelly Jones and Scott A. Hostermeyer, for the enforcement of their intellectual property and distribution of the proceeds from such enforcement to the stakeholders, including the inventor and assignors, in the same manner as Plaintiff has entered into agreement with patent holders to enforce their intellectual property.” Id. ¶ 47. Plaintiff also alleges Horstemeyer’s law firm prosecuted the patents. Id. ¶ 62.

Assuming the factual allegations are true, and construing all inferences from them in favor of Plaintiff, the Court finds Plaintiff sufficiently allege Defendant’s commercial

²The Court notes the FAC’s paragraphs are misnumbered. There are two paragraphs numbered 20 and two paragraphs numbered 21. The Court refers to the second paragraphs numbered 21 and 22 on page 5 of the FAC.

1 use of the mark.³ See Thompson, 295 F.3d at 895.

2 **2. Likelihood of Consumer Confusion**

3 Defendant argues the FAC fails to allege a reasonably prudent consumer would
 4 likely be “confused as to the source of sponsorship such that she ‘is likely to purchase the
 5 services under a mistaken belief that the services are, or associated with, the services of
 6 another provider.’” Motion at 11 (citing Murray v. Cable Nat. Broadcstng Co., 86 F.3d
 7 858, 861 (9th Cir. 1996)).

8 Defendant specifically argues Plaintiff’s allegations as to the strength of “The
 9 Eclipse Group” mark, are vague, conclusory, non-factual, and insufficient as a matter of
 10 law. Defendant maintains Plaintiff’s various printouts from its own website is
 11 “self-serving, marketing puffery” that falls far short of establishing the strength of the
 12 mark. Motion at 11. Defendant also argues the FAC’s allegations themselves argue
 13 against a finding of confusion with respect to the relatedness of the services, because
 14 Defendant offers no services. Defendant further argues the sharing of a single,
 15 commonly used word does not suggest a likelihood of confusion as to the sight, sound
 16 and meaning of the marks. Defendant also argues the allegations regarding confusion
 17 in the media and by third parties to support actual confusion are irrelevant to the present
 18 inquiry because “[t]rademark infringement protects only against mistaken purchasing
 19 decisions and not against confusion generally.” Motion at 13 (citing Bosley Medical
 20 Institute, Inc., 403 F.3d at 676)). Defendant contends the FAC does not contain any
 21 factual allegations that, for example, someone seeking legal representation intended to
 22 seek out Plaintiff but inadvertently hired Defendant, nor does it contain any allegations
 23 that, someone seeking to hire Defendant inadvertently hired Plaintiff.

24 In opposition, Plaintiff argues Defendant’s use of Plaintiff’s mark is infringing
 25 conduct when looking at the Sleekcraft factors.

26

27 ³Defendant argues Plaintiff resorts to “distorting the truth” in the FAC. At this
 28 stage of the proceedings, the Court must assume the factual allegations are true. If it is
 later determined Plaintiff filed the FAC knowing it contained false allegations, such
 conduct may be sanctionable under Rule 11 of the Federal Rules of Civil Procedure.

1 A court considers eight factors, known as the Sleekcraft factors, to determine
 2 whether a defendant's use of a mark is likely to cause consumer confusion. Goto.com,
 3 Inc. v. Walt Disney Co., 202 F.3d 1199, 1205 (9th Cir. 2000). The factors include: (1)
 4 the strength of the mark; (2) the similarity of the marks; (3) the relatedness of the goods;
 5 (4) the marketing channels used by the companies; (5) the alleged infringer's intent in
 6 selecting it mark; (6) evidence of actual confusion; (7) the likelihood of expansion into
 7 other markets, and; (8) the degree of care likely to be exercised by purchasers. AMF, Inc.
 8 v. Sleekcraft Boats, 599 F.2d 341, 348 (9th Cir. 1979). The factors are not all of equal
 9 importance and may not necessarily apply in every case. See Down v. Abercrombie &
 10 Fitch, 265 F.3d 994, 1008 (9th Cir. 2001). The importance of each individual factor
 11 is case-specific. Brookfield Communications, Inc. v. West Coast Entertainment, Corp.,
 12 174 F.3d 1036, 1054 (9th Cir. 1999). The court should dismiss the complaint if the
 13 court determines, as a matter of law from the pleadings, the goods or services are
 14 unrelated and confusion is unlikely. See Murray, 86 F.3d at 860.

15 The FAC alleges Plaintiff has become well-known and nationally recognized
 16 through the use of the mark and legal representation of Fortune 500 companies. FAC
 17 ¶ 17. Plaintiff further alleges it "represents numerous inventors, companies and
 18 intellectual property owners across a variety of industries and technology segments in
 19 connection with procuring and enforcing intellectual property rights, including, but not
 20 limited to, patent rights" and provides these services to clients throughout the United
 21 States. Id. ¶ 18. Plaintiff also alleges it continues to market and expand its business
 22 "across all industry segments" to potential clients and litigants. Id. ¶¶ 19, 20. The FAC
 23 also alleges Defendant is engaged in the service of enforcing intellectual property rights
 24 and distribution of proceeds from such enforcement by acquiring patents owned and
 25 developed by third parties. Id. ¶¶ 29, 30. Plaintiff asserts Defendant's enforcement of
 26 patents under the name ECLIPSE IP is widely publicized in the legal community through
 27 the "common docket reporting services." Id. ¶ 34. Plaintiff also asserts the parties'
 28 marks are nearly identical in that both marks share the same dominant term "ECLIPSE."

1 Id. ¶ 40. Plaintiff alleges both parties are in the same business of enforcing intellectual
 2 property rights through litigation to provide recovery to stakeholders, and both services
 3 are routinely discussed in the same publications which are distributed to the same
 4 community. Id. ¶¶ 43, 44. Plaintiff also alleges the parties' marketing channels are
 5 identical in that both Plaintiff and Defendant engage in the same activities in public
 6 cases throughout the country. Id. ¶ 46. Plaintiff further alleges Defendant has sued
 7 third parties that are in the same industry as current and perspective clients of Plaintiff.
 8 Id. ¶ 48. Plaintiff also provides information of actual confusion by the public. Id. ¶¶ 54
 9 - 59.

10 Assuming the truth of the allegations, the Court finds Plaintiff sufficiently alleges
 11 likelihood of confusion. Accordingly, Defendant's motion to dismiss is DENIED as to
 12 Plaintiff's claim for trademark infringement.

13 **B. False Designation of Origin**

14 Defendant argues the FAC fails to plead any facts to permit a conclusion of
 15 "commercial use" or that reasonably prudent consumers are likely to be confused as to
 16 source of sponsorship, and therefore, Plaintiff's claim for false designation of origin must
 17 fail as a matter of law.

18 Plaintiff maintains courts use the same analysis for false designation as they do
 19 for service mark infringement. Plaintiff argues, as argued in the claim for trademark
 20 infringement, the FAC clearly establishes service mark infringement, and therefore
 21 establishes false designation.

22 15 U.S.C. section 1125(a) provides:

23 (1) Any person who, on or in connection with any goods or services, or any
 24 container for goods, uses in commerce any word, term, name, symbol, or device,
 25 or any combination thereof, or any false designation or origin, false or misleading
 26 description of fact, or false or misleading representation of fact, which—

27 (A) is likely to cause confusion, or to cause mistake, or to deceive as to the
 28 affiliation, connection, or association of such person with another person,
 29 or as to the origin, sponsorship, or approval of his or her goods, services,
 30 or commercial activities by another person, or

31 (B) in commercial advertising or promotion, misrepresents the nature,
 32 characteristics, qualities, or geographic origin of his or her or another

1 person's goods, services, or commercial activities shall be liable in a civil
 2 action by any person who believes that he or she is or is likely to be
 3 damaged by such act.

4 15 U.S.C. § 1125(a)(1).

5 As discussed above, the Court finds Plaintiff sufficiently alleges "commercial use"
 6 and likelihood of confusion. As such, the motion to dismiss the false designation claim
 7 is DENIED.

8 C. Trademark Dilution

9 Defendant argues the FAC is devoid of any facts that support a plausible claim for
 10 relief under trademark dilution. Specifically, Defendant argues the FAC contains no
 11 facts to show that "The Eclipse Group" mark is famous absent "self-aggrandizing,
 12 conclusory statements." Motion at 17. Defendant also argues the FAC contains no facts
 13 showing it began using "The Eclipse Group" mark after it became famous or that
 14 Defendant is making commercial use of the mark. Defendant further argues there is no
 15 factual basis in the FAC to suggest a likelihood of dilution of the distinctive value of the
 16 mark.

17 Plaintiff argues the FAC alleges Plaintiff's mark, in conjunction with litigation and
 18 intellectual property services, is well known throughout the country.⁴

19 To establish a trademark dilution claim under 15 U.S.C. section 1125(c), a
 20 plaintiff must show that: "(1) its mark is famous; (2) the defendant is making
 21 commercial use of the mark in commerce; (3) the defendant's use began after the
 22 plaintiff's mark became famous; and (4) the defendant's use presents a likelihood of
 23 dilution of the distinctive value of the mark." Avery Dennison Corp. v. Sumpton, 189
 24 F.3d 868, 873 - 74 (9th Cir. 1999). Dilution protection under the act extends "to those
 25 whose mark is a 'household name.'" Nissan Motor Co. v. Nissan Computer Corp., 378
 26 F.3d 1002, 1011 (9th Cir. 2004); see also Avery Dennison Corp., 189 F.3d at 875
 27 ("Dilution is a cause of action invented and reserved for a select class of marks-those
 28 marks with such powerful consumer associations that even non-competing uses can

⁴See Section A, supra.

1 impinge on their value.”).

2 In support of its claim for dilution, Plaintiff alleges it offers legal services under
 3 “The Eclipse Group” mark throughout the United States and has become well-known
 4 and nationally recognized. FAC ¶¶ 12, 17. Plaintiff further alleges Defendant began
 5 using the mark after it “became effective.” *Id.* ¶ 33. Plaintiff also asserts “Defendant’s
 6 use of ECLIPSE IP is causing Plaintiff’s Mark to be associated and affiliated with
 7 activities of a ‘patent troll,’ which activities are highly criticized and viewed negatively
 8 by the public and Plaintiff’s clients.” *Id.* ¶ 65.

9 The Court finds Plaintiff’s conclusory allegations as to the distinctiveness of the
 10 mark are insufficient to state a claim for trademark dilution. Therefore, the claim is
 11 subject to dismissal.

12 D. Unfair Competition

13 Defendant argues the FAC’s factual deficiencies also require that Plaintiff’s claims
 14 for unfair competition under California Business and Professions Code section 17200
 15 and under California common law be dismissed.

16 Plaintiff contends the test for unfair competition is exactly the same as that for
 17 federal service mark infringement, and for reasons it previously asserted in the discussion
 18 for trademark infringement, the FAC meets the test.

19 Plaintiff’s claim for unfair competition is derivative of its claims under the
 20 Lanham Act for trademark infringement and is subject to the same analysis. See
 21 Entrepreneur Media, Inc. v. Smith, 279 F.3d 1135, 1153 (9th Cir. 2002). As such,
 22 Plaintiff sufficiently alleges its claims for unfair competition.

23 E. Dilution Under California Business & Professions Code § 14247

24 Defendant maintains the Ninth Circuit has held that the analysis under the
 25 California statute and federal trademark dilution law is the same. Therefore, Defendant
 26 argues, Plaintiff’s claim for dilution under California Business and Professions Code
 27 section 14247 must be dismissed.

28 Plaintiff argues this cause of action states a claim for the reasons argued in support

1 of the claim for federal trademark dilution.

2 The analysis for federal dilution claims and California state law dilution claims are
3 the same. Jada Toys, Inc. v. Mattel, Inc., 518 F.3d 628, 634 (9th Cir. 2008).
4 Accordingly, for the reasons discussed above in section C, the California dilution claim
5 fails.

6 **III. Leave to Amend**

7 Defendant argues Plaintiff should not be granted leave to amend because there
8 are no facts in existence that Plaintiff can plead to support its claims. Defendant further
9 argues that Plaintiff fails to prepare a legally sufficient FAC even after getting a second
10 opportunity.

11 Plaintiff contends it is not requesting leave to file a second amended complaint,
12 because it believes that the FAC sets forth a cause of action for service mark infringement
13 as well as other causes of action. If, however, the Court concludes that there are some
14 deficiencies in the FAC, Plaintiff request leave to correct those deficiencies in a second
15 amended complaint.

16 This Court previously provided Plaintiff leave to amend to properly assert its
17 claims. The FAC includes many additional factual allegations and includes numerous
18 attachments in support. In fact, the Court has determined many of the claims are
19 sufficiently pled in the FAC. Despite being provided an opportunity to assert sufficiently
20 allegations to support its claims, Plaintiff still fails to properly allege facts to support its
21 claims for dilution. The Court finds leave to amend should not be granted.

22 **CONCLUSION AND ORDER**

23 Based on the foregoing, **IT IS HEREBY ORDERED** Defendant's motion to
24 dismiss is **GRANTED IN PART AND DENIED IN PART**. The motion is **GRANTED**
25 as to Plaintiff's claims for federal trademark dilution and dilution under California law.

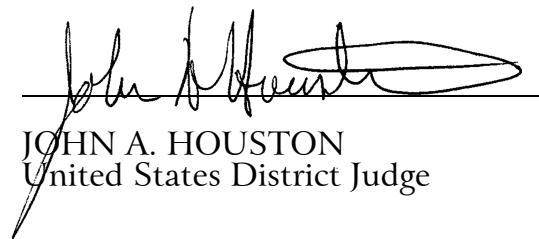
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1 The claims are **DISMISSED without leave to amend.** The motion is otherwise
2 **DENIED.**

3 Dated: March 30, 2015

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5 JOHN A. HOUSTON
6 United States District Judge

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